Application for Service Area Amendment in the City of Belleville

Veridian Connections Inc.

September 30, 2016

7.0 INTRODUCTION

This application for a Service Area Amendment is structured and follows the minimum filing requirement for SAA assigned by the Ontario Energy Board. The section numbers follow the filing requirement of the base reference.

This application for a service area amendment ("SAA") addresses the expansion of Veridian Connections Inc.'s ("Veridian") Belleville service territory into Hydro One Networks Inc. ("Hydro One") existing territory. This application affects one (1) General Service customer.

7.1 BASIC FACTS

GENERAL

7.1.1 (a)

Provide the contact information for the applicant Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person

Applicant:

Veridian Connections Inc. 55 Taunton Road East Ajax, Ontario L1T 3V3

Contact: George Armstrong garmstrong@veridian.on.ca Phone: (905) 427-9870 x 2202 Fax: (905) 619-0210

7.1.1 (b)

Provide the contact information for the incumbent distributor Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the verson

Incumbent Distributor:

Hydro One Networks Inc. Pasquale Catalano Regulatory Advisor, Regulatory Affairs 483 Bay Street, 7th Floor, South Tower Toronto, ON M5G 2P5 Telephone: (416) 345-5405 Fax: (416) 345-5866 Email: <u>Regulatory@HydroOne.com</u> Provide every affected customer, landowner, and developer in the area that is the subject of the SAA Application

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person



7.1.1 (d) & (e)

Provide any alternate distributor other than the applicant and the incumbent distributor, if there are any alternate distributors bordering on the area that is the subject of the SAA application; and any representative of the persons listed above including, but not limited to, a legal representative

• There are no other distributors bordering on the area that is the subject of this SAA application.

7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT

Indicate the reasons why this amendment should occur and identify any load transfers eliminated by the proposed SAA.

DESCRIPTION OF PROPOSED SERVICE AREA

- This application for a service area amendment ("SAA") addresses the expansion of Veridian Connections Inc.'s ("Veridian") Belleville service territory into Hydro One Networks Inc. ("Hydro One") existing territory. This application affects one (1) new General Service.
- Although this customer is currently within Hydro One's territory, Veridian is able to connect this customer to their adjacent sub-transmission system at a lesser cost.

Provide a detailed description of the lands that are the subject of the SAA application. For SAA applications dealing with individual customers, the description of the lands should include the lot number, the concession number, and the municipal address of the lands. The address should include the street number, municipality and/or county, and postal code of the lands.

For SAA applications dealing with general expansion areas, the description of the lands should include the lot number and the concession number of the lands, if available, as well as a clear description of the boundaries of the area (including relevant geographical and geophysical features).

PT L T 32-36 CON 2 SIDNEY PT 1 & 3 21R24570; S/T EASEMENT IN GROSS OVER PT 3 21R24570 AS IN HT102419; CITY OF BELLEVILLE MUNICIPALLY KNOWN AS 380 BELL BOULEVARD BELLEVILLE BEING ALL OF PIN 40429-0523 (LT)

- Map of proposed amendments to service areas found in Attachments A,B and C
- Electrical Site Plan has been included as Attachment D (filed in confidence)
- Land Survey has been included as Attachment E

• Hydro One and Veridian Licence Amendments

Hydro One Networks Inc. (ED-2003-0043)

Name of Municipality: Formerly Known As:	City of Belleville City of Belleville, township of Thurlow, City of Quinte West, as at December 31, 1997.	
Area Not Served By Networks:	The area served by Veridian Connections Inc. described as the former City of Belleville as more particularly set out in Licence No. ED-2002-0503	
Networks assets within area not served by Networks: Customer(s) within area not served by Networks:	Yes No	

\rightarrow No change required

Veridian (ED-2002-0503)

Please refer to Attachments A and B

7.1.4

Provide one or more maps or diagrams of the area that is the subject of the SAA application.

• For Section 7.1.4 (a), (b), (d) – (f) - Please refer to Attachments A - E.

7.1.4 (a)

Borders of the applicant's service area

7.1.4 (b)

Borders of the incumbent distributor's service area

7.1.4 (c)

Borders of any alternate distributor's service area

• Not Applicable

7.1.4 (d)

Territory surrounding the area for which the applicant is making SAA application

7.1.4 (e)

Geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities

7.1.4 (f)

Existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well)

DISTRIBUTION INFRASTRUCTURE IN AND AROUND THE PROPOSED AMENDMENT AREA

7.1.5

Provide a description of the proposed type of physical connection (i.e., individual customer; residential subdivision, commercial or industrial development, or general service area expansion).

• One (1) new General Service customer connected at 44kV.

7.1.6

Provide a description of the applicant's plans, if any, for similar expansions in lands adjacent to the area that is the subject of the SAA application. Provide a map or diagram showing the lands where expansions are planned in relation to the area that is the subject of the SAA application.

• Veridian has no plans for similar expansion in lands adjacent to the area that is subject of this SAA application at this time.

7.2 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This evaluation will be undertaken from the perspective of economic (cost) efficiency as well as engineering (technical) efficiency.

Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the area to be served and on the ability of the system to meet growth potential in the area. Even if the proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may promote economic efficiency if it represents the most effective use of existing resources and reflects the lowest long run economic cost of service to all parties.

In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application.

• It would not be economical for Hydro One to extend service to this customer. Hydro One estimates that the approximate cost to extend service would be over \$1,000,000.

7.2.1 (a)

Location of the point of delivery and the point of connection

• This customer will be served by Veridian's 8M8 (44.0kV) sub-transmission feeder

7.2.1 (b)

Proximity of the proposed connection to an existing, well developed electricity distribution system

• The proposed connection is approximately 300m west of Veridian's existing electricity distribution system

7.2.1 (c)

The fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs are unnecessary for the proposed SAA (Note: the Board will determine if the reason provided is acceptable).

• The fully allocated connections costs are estimated at \$74,000.

7.2.1 (d)

The amount of any capital contribution required from the customer

• No capital contribution would be required from the customer

7.2.1 (e)

Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be deenergized or removed

• Not applicable – No equipment will be stranded.

7.2.1 (f)

Information on whether the proposed SAA enhances, or at a minimum doses not decrease, the reliability of the infrastructure in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application over the long term

• As this is an extension of an existing sub-transmission circuit, the proposed SAA will have no impact on the reliability of the existing infrastructure.

7.2.1 (g)

Information on whether the proposed infrastructure will provide for cost-efficient expansion if there is growth potential in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application

• Not Applicable

7.2.1 (h)

Information on whether the proposed infrastructure will provide for cost-efficient improvements and upgrades in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.

• Not Applicable

7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

Description of Impacts

7.3.1

Identify any affected customers or landowners.

• Refer to section 7.1.1(b)

7.3.2

Provide a description of any impacts on costs, rates, service quality, and reliability for customers in the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

- Prior to signing the offer to connect, the customer affected by this SAA was provided with estimated monthly bills for both distributors. The analysis provided that the difference between the distributors' bills would be approximately 1.5% per month. The customer's acceptance of the offer to connect was with the knowledge of the potential difference in distributors rates.
- No material impacts are expected on service quality and reliability.

7.3.3

Provide a description of any impacts on costs, rates, service quality, and reliability for customers of any distributor outside the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

• Not Applicable

7.3.4

Provide a description of the impacts on each distributor involved in the proposed SAA. If these impacts have already been described elsewhere in the application, providing cross-references is acceptable.

• Refer to map and description in Attachments A – C

7.3.5

Provide a description of any assets which may be stranded or become redundant if the proposed SAA is granted.

• Not applicable

7.3.6

Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is required, has the relevant application been filed in accordance with section 86 of the Act? If not, indicate when the applicant will be filing the relevant section 86 application.

• Not applicable - no assets are being transferred

7.3.7

Identify any customers that are proposed to be transferred to or from the applicant.

• Refer to section 7.1.1 (b)

7.3.8

Provide a description of any existing load transfers or retail points of supply that will be eliminated.

• Not Applicable

7.3.9

Identify any new load transfers or retail points of supply that will be created as a result of the proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board in accordance with section 6.5.5 of the Distribution System Code ("DSC")? If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC with the Board. If a new retail point of supply will be created, does the host distributor (i.e., the distributor who provides electricity to an embedded distributor) have an applicable Board approved rate? If not, indicate when the host distributor will be filing an application for the applicable rate.

• No new load transfers will be created as a result of the proposed SAA

EVIDENCE OF CONSIDERATION AND MITIGATION OF IMPACTS

7.3.10

Provide written confirmation by the applicant that all affected persons have been provided with specific and factual information about the proposed SAA. As part of the written confirmation, the applicant must include details of any communications or consultations that may have occurred between distributors regarding the proposed SAA.

- The customer has been provided with specific and factual information about the proposed SAA. Details provided included cost for the expansion and estimated monthly bill impacts.
- Prior to submitting an Offer to Connect to the customer, Veridian and Hydro One compared estimated expansion costs to determine who could expand to this customer in the most cost-effective manner. It was determined that Veridian could expand to the customer more effectively, and therefore was to submit the final offer to connect.

7.3.11

Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.

• Refer to Attachment F

7.3.12

Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.

• Refer to Attachment G

7.3.13

Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved (i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).

• Not Applicable – there are no adverse effects expected

7.4 CUSTOMER PREFERENCE

7.4.1

An applicant who brings forward an application where customer choice may be a factor must provide a written statement signed by the customer (which includes landowners and developers) indicating the customer's preference.

• Refer to Attachment G (filed in confidence)

7.5 ADDITIONAL IMFORMATION REQUIREMENTS FOR CONTESTED APPLICATIONS

If there is no agreement among affected persons regarding the proposed SAA, the applicant must file the additional information set out below.

• Not Applicable

7.5.1

If the application was initiated due to an interest in service by a customer, landowner, or developer, evidence that the incumbent distributor was provided an opportunity to make an offer to connect that customer, landowner, or developer.

• Not Applicable

7.5.2

Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to connect from the applicant and any alternate distributor bordering on the area that is the subject of the SAA application.

• Not Applicable

7.5.3

Actual copies of, as well as a summary of, the offer(s) to connect documentation (including any associated financial evaluations carried out in accordance with Appendix B of the Distribution System Code). The financial evaluations should indicate costs associated with the connection including, but not limited to, on-site capital, capital required to extend the distribution system to the customer location, incremental up-stream capital investment required to serve the load, the present value of incremental OM&A costs and incremental taxes as well as the expected incremental revenue, the amount of revenue shortfall, and the capital contribution requested.

• Not Applicable

7.5.4

If there are competing offers to connect, a comparison of the competing offers to connect the customer, landowner, or developer.

• Not Applicable

7.5.5

A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor to serve the area that is the subject of the SAA application, including any specific proposed connections.

• Not Applicable

7.5.6

Outage statistics or, if outage statistics are not available, any other information regarding the reliability of the existing line(s) of each distributor that are proposed to supply the area that is the subject of the SAA application.

• Not Applicable

7.5.7

Quantitative evidence of quality and reliability of service for each distributor for similar customers in comparable locations and densities to the area that is the subject of the SAA application.

• Not Applicable

7.6 OTHER

It is the sole responsibility of the Applicant to provide all information that is relevant and that would assist the Board in making a determination in this matter. Failure to provide key information may result in a delay in the processing of the application or in the denial of the application.

7.7 REQUEST FOR NO HEARING

Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:

(a) an explanation as to how no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding

AND

- (b) the proposed recipient's written consent to the disposal of the application without a hearing.
 - (a) There will be no adverse impacts on the affected customers with regard to safety and reliability.
 - (b)The signature on this application acknowledges consent to dispose of this application without a hearing.

[original signed by]

George Armstrong Vice President, Corporate Services Veridian Connections Inc.

Dated:

List of Attachments

ATTACHMENT 'A' Amended Veridian Licence Map – Belleville

ATTACHMENT 'B' Amended Veridian Licence Description – Belleville

ATTACHMENT 'C' Site Plan displaying Veridian and Hydro One Boundaries

ATTACHMENT 'D' Site Plan Electrical (CONFIDENTIAL)

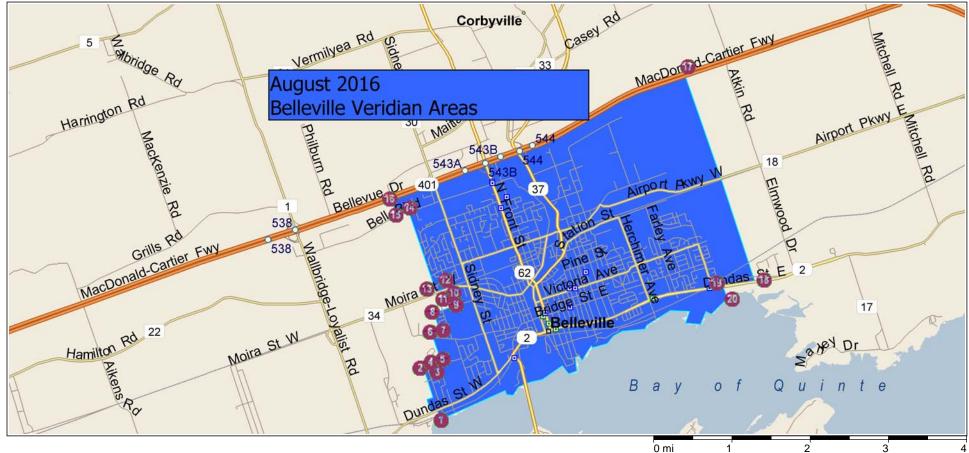
ATTACHMENT 'E' Land Survey

ATTACHMENT 'F' Hydro One – Letter of Consent

ATTACHMENT 'G' Customer – Letter of Consent (CONFIDENTIAL)

ATTACHMENT A

Belleville Veridian Territory Proposed August 2016



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ATTACHMENT B

BELLEVILLE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map following this document.

WESTERN BOUNDARY

- 1. The western boundary of the existing Belleville Service Area starts at point #1 which is located at the Bay of Quinte, 0.1 km west of Avondale Road. The boundary continues parallel to Avondale Road to point #2, with the exception of an additional contiguous parcel extending to the west of Belleville, County of Hastings (476 Dundas Street West Hastings County Manor).
- Point #2 is located 0.1 km south of Harder Drive at the north-west corner of 180 Avondale Road. The boundary turns east following the north lot line of 180 and 179 Avondale Road and the south lot line of 67 Harder Drive to point #3.
- 3. Point #3 is located at the south-east corner of 67 Harder Drive. The boundary then turns north following the west lot line of 44 Glen Road to point #4.
- 4. Point #4 is located at the north-west corner of 44 Glen Road. The boundary then turns east following the north lot line of 44 and 45 Glen Road and 200 and 201 Wright Avenue to point #5.
- 5. Point #5 is located at the north-east corner of 201 Wright Avenue. The boundary then turns north following the east lot lines of 36 Harder Drive and the east lot lines of 62, 64, 66, 68, 72, 76 Kensington Crescent and the west lot lines of 2 and 4 Haslett Court to point #6.
- 6. Point #6 is located at the north-west corner of 4 Haslett Court. The boundary turns east following the north lot lines of 4, 6, 8 Haslett Court and 8, 10, 12 Wilmot Court to point #7.
- Point #7 is located at the north-east corner of 12 Wilmot Court. The boundary then turns north following the west lot lines of 19, 21, 23 Benson Court, plus west lot lines of 29, 31, 33, 35, 37, 39, 41, 43, 45 Sherwood Court, plus the west lot lines of 29, 31, 33, 35, 37, 39, 41, 43, 45 Bogart Crescent to Point #8.
- 8. Point #8 is located at the north-west corner of 45 Bogart Crescent. The boundary then turns east following the north lot lines of 47, 49, 51, 53, 55, 57, 59, 61, 63, 65, 67, 69 Bogart Crescent, crosses Palmer Road and continues east for approximately 0.19km to point #9.
- 9. Point #9 is located approximately 0.19 km east of Palmer Road. The boundary then turns north at this point following the west lot line of 40 Wilson Avenue and the west lot line of 39 Pepper Avenue to point #10.
- 10. Point #10 is located at the south-east corner of 4 Lake Court. The boundary then turns west, following the south lot lines of 4, 6, 8 Lake Court to point #11.

- 11. Point #11 is located at the south-west corner of 8 Lake Court. The boundary then turns north following the west lot lines of 10, 12, 14 Lake Court and 337 Moira Street West to point #12.
- 12. Point #12 is located at the south lot line of 9 Jeanette Place. The boundary then turns west following the south lot line of 9 and 11 Jeanette Place and 8, 10, 12 Dixie Place to point #13.
- 13. Point #13 is located at the south-west corner of 12 Dixie Place. The boundary then turns north following the west lot lines of 12, 14 and 16 Dixie Place, 135 and 136 Progress Avenue, 291 and 290 College Street West, 16, 18, 20, 22, 24, 26, 28, 30, 32 Beverley Crescent and 1 Robert Drive; then the west lot lines of 129, 126, 124, 122, 120, 118, 116, 114, 112, 110, 108, 106, 104, 102, 100, 98, 96, 94, 92, 90, 88, 86, 84, 82, 80, 78 Tracey Park Drive and 2, 4, 6, 8, 10 Queensboro Court, and north to point #14, located approximately 0.7 km west of Sidney Street at Highway #401-the north edge of Bell Boulevard. , with the exception of an additional contiguous parcel extending to the west of this line immediately north of Bell Blvd. known as Part of Lot 36, Concession 2 in the City of Quinte West, Hastings County Plan 21-R-19964 (Loyalist Veterinary Hospital).
- 14. Point #14 is located approximately 0.7 km west of Sidney Street at the north edge of Bell Boulevard. The boundary then turns west following the north edge of Bell Boulevard for approximately 0.39 km to point #15.
- 15. Point #15 is located at the south-west corner of a parcel of property addressed as 380 Bell Boulevard and known as Part Lot 32-36, Concession 2 in the City of Quinte West, Hastings County Plan 21-R-24570 parts 1 & 3. The boundary follows the western edge of this parcel of land north to the south edge of Highway #401 to point #16.

NORTHERN BOUNDARY

Point #14 16 is located approximately 0.7 1.0 km west of Sidney Street at Highway # 401. The boundary turns east following the southern boundary of Highway #401 road allowance for approximately 6.40 6.7 km to point #15 17.

EASTERN BOUNDARY

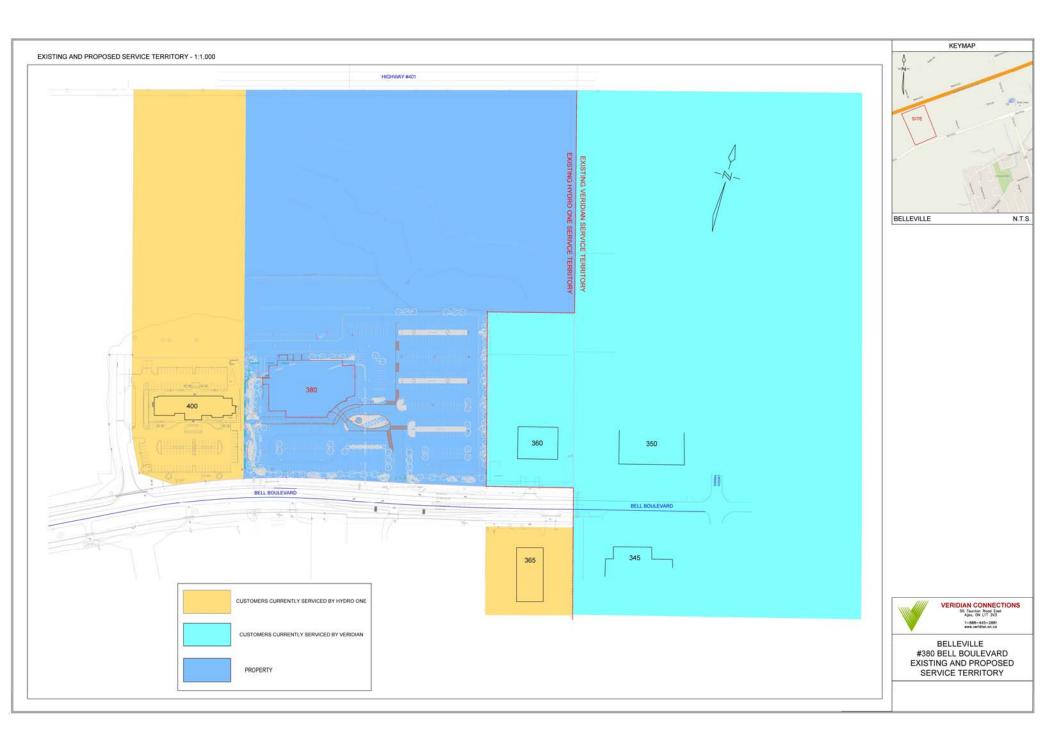
- Point #15 17 is located on the eastern limit of Lot 15, Concession II, former Thurlow Township, at the southerly limit of the Highway #401. The boundary turns south and runs approximately 4.44 km to point #16 18.
- Point # 16 18 is located on the easterly limit of Lot 15, Broken Front Concession, former Thurlow Township, at the northerly limit of Highway #2 (Dundas Street East). The boundary turns west and runs approximately 0.68 km to point #17 19.
- 19. Point #17 19 is located on the northerly limit of Highway #2 (Dundas Street East) approximately 0.78
 0.68 km west of point #13 18. The boundary then turns south and follows the east lot line of 665

Dundas Street East (East Half Lot 13, Broken Front Concession, former Thurlow Township) and runs approximately 0.28 km south to point #18 20.

SOUTHERN BOUNDARY

20. Point #18 20 is located on the north shore of the Bay of Quinte at the south-east corner of 665 Dundas Street East. This point is approximately 1.55 km west of Elmwood Drive. The boundary follows the north shore of the Bay of Quinte westward to point #1.

ATTACHMENT C

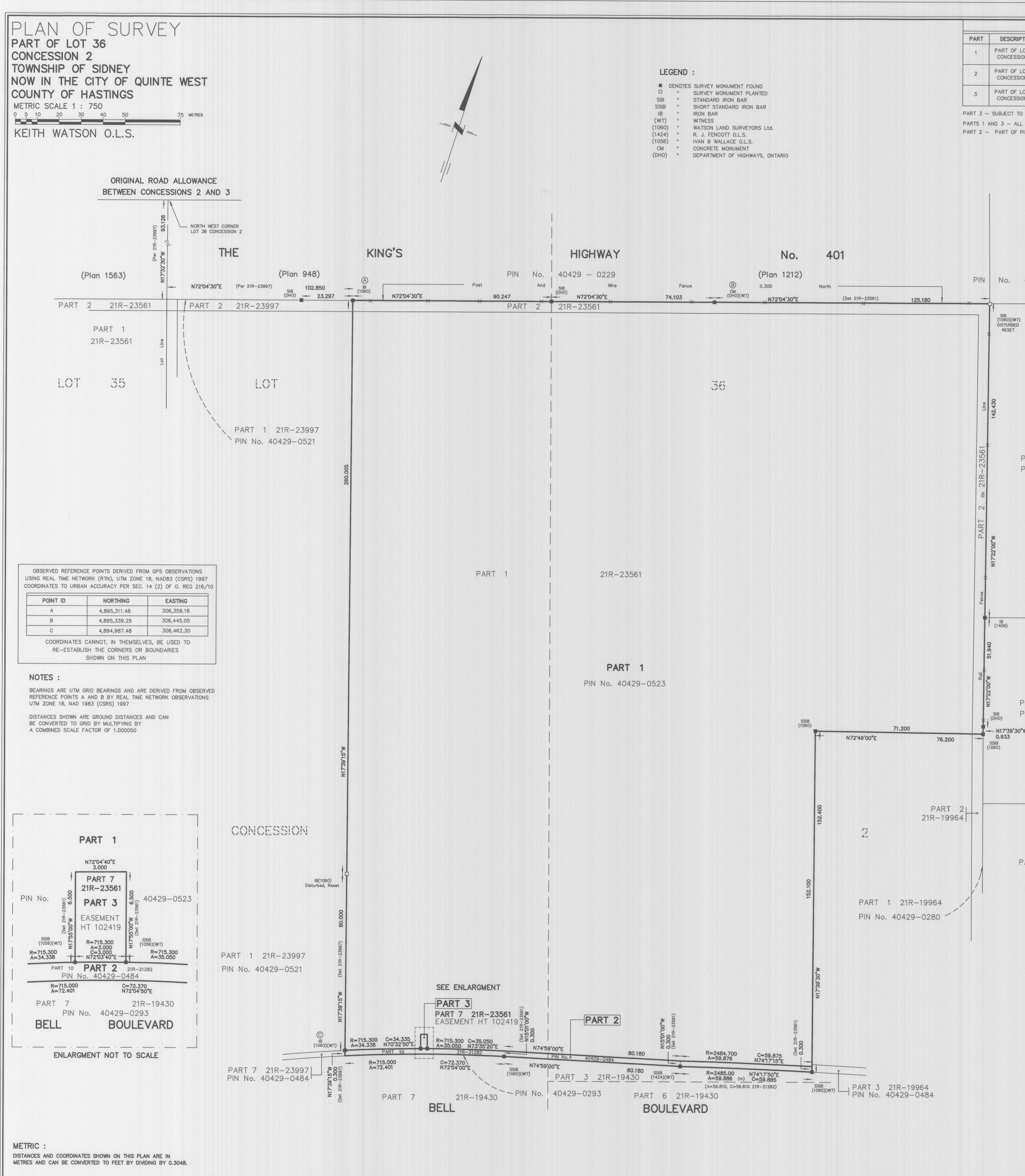


ATTACHMENT D

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FILED IN CONFIDENCE

ATTACHMENT E



SCHEDULE		
TON PIN No.	AREA	PLAN 21R- 24570
DT 36 PART OF PIN No. N 2 40429-0523 DT 36 PART OF PIN No.	8.757 ha	(Date) AND DEPOSITED
N 2 40429-0484	62.1 m. ²	
DT 36 PART OF PIN No. N 2 40429-0523	19.5 m. ²	REPRESENTATIVE FOR LAND REGISTRAR
EASEMENT HT 102419 OF PIN No. 40429-0523 IN No. 40429-0484		FOR THE LAND TITLES DIVISION OF HASTINGS (21)
		I REQUIRE THIS PLAN TO BE DEPOSITED UNDER THE LAND TITLES ACT.
		(Date) DECEMBER 16, 2015
		Keith Watson
		ONTARIO LAND SURVEYOR
LOT 20)	
	(C) (C)	
40429 - 0229	<u> </u>	
.0120 - 0229		
PART 1 21R-1148		
PIN No. 40429-0468	3	
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LOT 3		
ART 1 21R-21681		
IN No. 40429-0467 M	•	
Lot Line		
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ART 1 21R-820		
LOT 4		
	REGISTERED	
	E E E E E E E E E E E E E E E E E E E	
SURVEYOR'S CEF		
WITH THE SURVEYS A	CT, THE SURV	ECT AND IN ACCORDANCE
		ATIONS MADE UNDER THEM. THE 15 th DAY OF DECEMBER, 2015.
DECEMBER 16, 2015	_	Keith Watson
		ONTARIO LAND SURVEYOR
218 CHURCH STREET BELLEVILLE, ONTARIO	W	ATSON (613) 962 - 9521
	LAND	SURVEYORS Ltd.

ATTACHMENT F

Hydro One Networks Inc. 7th Floor, South Tower 483 Bay Street Toronto, Ontario M5G 2P5 www.HydroOne.com

Tel: (416) 345-5393 Fax: (416) 345-5866 Joanne.Richardson@HydroOne.com

Joanne Richardson Director – Major Projects and Partnerships Regulatory Affairs



BY COURIER

September 30, 2016

George Armstrong Veridian Connections Inc. 55 Taunton Road East Ajax, Ontario L1T 3V3

Dear Mr. Armstrong:

Veridian Connections Inc. Application for Licence Amendment

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend the Veridian Connections Inc. ("Veridian") Distribution Licence as proposed in Veridian's service area amendment application. The intent of the application is to amend Veridian's distribution licence to include the lands described as:

PT L T 32-36 CON 2 SIDNEY PT 1 & 3 21R24570; S/T EASEMENT IN GROSS OVER PT 3 21R24570 AS IN HT102419; CITY OF BELLEVILLE MUNICIPALLY KNOWN AS 380 BELL BOULEVARD BELLEVILLE BEING ALL OF PIN 40429-0523 (LT)

Also, Hydro One supports Veridian's request to proceed with this service area amendment without a hearing.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

ATTACHMENT G

DOCUMENT REDACTED

FILED IN CONFIDENCE